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INFO RUEHON/AMCONSUL TORONTO 0000
RHMCSUU/FBI WASHINGTON DC 0000
RUEAIIA/CIA WASHINGTON DC 0000
RUCPDOG/USDOC WASHINGTON DC 0000
RUEKJCS/SECDEF WASHINGTON DC
RUEPINS/HQ BICE INTEL WASHINGTON DC

UNCLAS STATE 056857

SIPDIS
OTTAWA FOR LORI BALBI

E.O. 12958: N/A
TAGS: [ETTC](#) [KOMC](#) [CA](#)
SUBJECT: BLUE LANTERN LEVEL 3: POST-SHIPMENT END-USE CHECK
ON THE EXPORT OF U.S. DEFENSE ARTICLES CITING THE CANADIAN
EXEMPTION

REF: 2006 BLUE LANTERN GUIDEBOOK

11. This is an Action Request. See paragraphs 2-4.

12. The Department's Office of Defense Trade Controls Compliance (PM/DTCC) requests Embassy's assistance in conducting a post-shipment check on a transaction citing the Canadian exemption for the export of communications equipment to Canada. Embassy is requested to complete this Blue Lantern check within 45 days. Lack of response to a Blue Lantern check will affect pending and future licenses involving parties to this license.

13. Reason for request: end-user Redline Communications appears on the DTCC Watchlist; also vague/incomplete description of commodity and end-use in export filing. The company has not previously been the subject of a Blue Lantern.

14. ACTION OTTAWA: Mission Canada is requested to make inquiries with appropriate officials to establish the bona fides of end-user Redline Communications and to obtain all relevant details of the export of communications equipment to Canada citing the Canadian exemption, including the exact description, number, type, dollar value, and serial number of items. PM/DTCC also requests that post conducts a site visit to the company in order to provide Department with an assessment of its business operations and on-site security. Finally, post is asked to assess whether the company appears to be a reliable recipient of USML items. If a site visit is not possible, please inform the PM/DTCC officer.

The following questions are provided as suggested guidance:

--What were the exact United States Munitions List (USML) articles exported to you? (Automated Export System (AES) filing data provides the following information, "machines for the reception, conversion, and tr".)

--What is the exact end-use for these USML items? Will Redline Communications retain positive control over the communications equipment at all times? Will they be transferred to other end-users in Canada or re-exported?

--Does the company have secure facilities and proper accounting and security procedures for handling sensitive USML items?

--When was the company established and who are its principals?

--What is the nature of the company's business? Have they previously sought defense articles on the USML?

--What type of organizations are among its typical customers and where are the customers located?

--Does the company understand the restrictions on USML items, especially the prohibition against unauthorized re-transfers and re-exports?

END ACTION.

15. Details of the AES filing:

QUANTITY/COMMODITY:

Quantity not provided

Commodity - Significant Military Equipment (SME) with vague description cited as, "machines for the reception, conversion, and tr"

Stated Value: USD 6,000.00

Export Date - 25 September 2007

ITAR Exemption Number - 126.5B

Filer Identification Number - 112504031

Shipping Reference Number - 2679801A

Export Identification Code - 34027686000

U.S. EXPORTER:

Harris Corporation
RF Communications Division
1680 University Avenue
Rochester NY
POC is Harriman, Tel. 585-244-5830

ULTIMATE CONSIGNEE

Redline Communications
302 Towne Centre Blvd
Suite 100
Markham, Canada L3R0E8
No POC provided

16. Please slug reply for PM/DTCC - BLUE LANTERN COORDINATOR and include the words "Blue Lantern" and the case number in the subject line. PM/DTCC can fax documentation to post upon request. POC is Tim Mazzarelli, Phone: 202-663-3867; Email: MazzarelliTP@state.gov; SIPRNET: MazzarelliTP@state.sgov.gov.

The Blue Lantern Guidebook (ref) is available as a PDF file in the Bunche Library's E-Book Collection on the DOS Intranet: <http://buncheelectroniclibrary.state.gov/ebooks/BlueLanternGuidebook2006%20final.pdf>

17. Department is grateful for post's assistance in this matter.

CLINTON